

Traditional freight forwarders' hazards and mitigation strategies

There are hazards associated with international exports, many of which are very substantial for people involved in the supply chain. A vital component of it, freight forwarders must take risks—often unplanned ones—in order to transfer cargo promptly and safely. We believe it is crucial that people are aware of these risks in order for them to come up with potential remedies and lessen their effects.

The hazards that freight forwarders confront are frequently due to the fact that these professionals are involved in every step of international cargo. They serve as a conduit between shippers, carriers, and governing agencies, with all the responsibility that entails.

These days, they must contend with natural disasters, stranded ships like the Ever Given, crowded ports, and even minor mistakes in document drafting that cause delays and hinder shipments. Because of this, there are currently a variety of choices that support these situations and offer some protection to the business operations of freight forwarders. But being a typical freight forwarder still carries some dangers.

Risks traditional freight forwarders face

- **Loss or damage of cargo**

It is possible for the cargo to sustain physical harm as a result of poor handling, packaging, or theft while it is in the carrier's custody. Due diligence must be used in all operations pertaining to the insurance and support of shipments because of this.

- **Change of route**

Given the scarcity of containers that have driven up their cost of them, these modifications come at a steep cost. Freight forwarders now more than ever need to have the tools necessary to actively monitor the cargo in the case of such events, take rapid action, and inform clients of any changes.

- **Problems with the documentation**

Unfortunately, many freight forwarders continue to struggle with errors in the documentation that must be submitted to regulatory organizations. These mistakes suggest delays in the cargo's release and maybe the fault of the freight forwarder or the associated carriers. This can occur for a variety of reasons, such as inadequate endorsement on a negotiable invoice, delayed payment to the recipient, and delayed exchange of the original Bill of Lading.

Currently, agents have access to a variety of software programs that enable them to manage such documents properly in front of customs, carriers, and even clients.

- **Trained and qualified personnel**

It is crucial that the staff members in charge of and handling cargo have the requisite training to guarantee the cargo's safe transit. Make sure the freight forwarder has customs brokers on staff before hiring them to handle customs. All parties involved should make sure that anyone engaged to operate shipping container cranes, captain ships, drive trucks, or manage customs procedures is adequately trained and qualified.

As we have seen in our previous writings, digitalization can be a useful ally in lowering the risks encountered by freight forwarders. Many businesses today provide assistance with this process, and we're willing to work with you hand in hand to raise the effectiveness of your freight forwarder. We at PDS INTERNATIONAL are always willing to help anyone who wants to ride the digital wave and benefit from it.